

ck/d/s

9/1957

~~CONFIDENTIAL~~

ED/EC M-269

September 12, 1957

EXECUTIVE COMMITTEE OF THE
ECONOMIC DEFENSE ADVISORY COMMITTEE

MINUTES

2:30 p.m. Monday, September 9, 1957
Room 1213 Maiatico

Attendance

MDAC

Mr. Hale, Chairman

Mr. Wight

Mr. Kramer, Executive Secretary

Mrs. Huver, Committee Secretary

Commerce

Mr. George

CIA

Mr. [REDACTED] 25X1A9a

Defense

Col. Green

ICA

Mr. Slaght

State

Mr. Wright

Mr. Knoll

Mr. Oliver

Treasury

Mr. Pollak

Agenda

25X6

Note a. [REDACTED] Eligibility for Assistance

Note b. Trade Policy Toward Poland

1. Treasury submission of letters from Sperry Rand's U.K. subsidiary on proposed sale of equipment for ships under construction for Poland.

2. Work Program for Paragraph 9 of Economic Defense Policy

~~CONFIDENTIAL~~

CONFIDENTIAL

-2-

25X6

Note a. Eligibility for Assistance
(Ref. EDAC D-136 series; EDAC M-63 and M-64)

Decision

The draft memorandum from the Chairman of EDAC to the Administrator, Mutual Defense Assistance Control Act and the Chairman, Operations Coordinating Board, was tentatively approved and would be forwarded, as revised at this meeting, unless further comments were received by Tuesday noon, September 10.

Discussion

The Chairman distributed a draft memorandum from the Chairman of EDAC to the Administrator of the Mutual Defense Assistance Control Act and the Chairman of the Operations Coordinating Board for review and comments by the members. This memorandum, he said, constitutes the EDAC response to the request from the Executive Officer of the OCB that "...the possibility of securing a blanket Presidential exception for [REDACTED] be explored through EDAC to permit lending PL 480 proceeds to [REDACTED] for economic development...". It is patterned after the statements made by the Chairman of EDAC, and concurred in by the EDAC members, at a meeting of that Committee on September 6.

25X6
25X6
Note b. Trade Policy Toward Poland
(Ref. POLTO 262 and POLTO 470)

The State member said that in view of the fact that the discussion in COCOM regarding licensing procedures for Poland, which had been scheduled for September 10 had been postponed, his agency was going to take advantage of the delay to consider further a reply to the questions raised by the German Del in POLTO 262. He added that when a reply is drafted it will be cleared with Executive Committee members.

1. Treasury submission of letters from Sperry Rand's U.K. subsidiary on proposed sale of equipment for ships under construction for Poland.
(Ref. ED/EC D-122)

Decision

The Executive Committee advised Treasury that it could inform Sperry Rand that sympathetic consideration would be given to its license application. The Executive Committee recommended to Treasury that such application be approved when filed.

Discussion

The Chairman made reference to the two letters dated August 23rd and 28th from Sperry Rand Corporation, and a letter dated August 13th from the Treasury Department on the subject of a proposed sale of gyro compass equipment for two large ocean going rescue tugs under construction in the U.K. for Polish owners. The Treasury member had submitted these letters to obtain the opinion of the Executive Committee on the advisability of approving a license application for such a sale.

CONFIDENTIAL

CONFIDENTIAL

-3-

The State member said that, notwithstanding the fact that this item is listed, its technology is such that we could permit the sale. The listing does not permit actual export of the item unattached, but Interpretative Note No. 5 allows its export when installed in new or left in second-hand non-embargoed vessels.

The members felt that in view of this, as well as our present policy toward Poland, the license application should be approved.

2. Work Program for Paragraph 9 of Economic Defense Policy
(Ref. ED/EC D-121 series)

Decision

The Executive Committee will meet at 10:30 a.m. Friday, September 13, to start work on its assignment to implement a work program for paragraph 9. of the economic defense policy.

Discussion

The Chairman distributed the following reports from Working Group I in response to their assignment in Annex A to EDAC D-135/1a and WG I Memo No. 10: ED/EC D-121/2--Preliminary Comments on Transportation, and ED/EC D-121/3--Preliminary Comments on Electronics and Communication Equipment and Technology.

He suggested that the members review the papers submitted to date by WG I and, if they find any basis for proposing a new control concept to be supported by the U.S., to put their thoughts down on paper.

He further stated that an immediate problem is to determine whether or not it is necessary or desirable to give WG I new instructions before they consider the balance of the categories. He requested that, if the members had any proposals for new instructions, they be put in writing and forwarded to him as soon as possible so that they could be considered for transmittal to the Chairman of WG I.

In the meantime the Working Group would continue to treat the rest of the categories under the general instructions they now have. He requested that they endeavor to submit the balance of the studies to the Executive Committee by Monday, September 16.

Distribution

ED List Parts I & II
& WG I (limited)

CONFIDENTIAL